



## Knowledge Industry Network Close-out Report Narrative

#### **Background:**

Like many rural areas of the United States, Alaska struggles to retain younger populations that now migrate to large metropolitan areas outside of the State. In order to attract, return and retain Alaska's younger residents, we must provide appropriate leadership, education and direct career connections. It is vital to Alaska's economy that we furnish the environment to quickly and effectively integrate young adults into the workforce.

The majority of Alaska's business professionals and leaders fall in the 40-60 year old population, with much smaller numbers representing the 20-39 year old demographic. While the baby boomers approach retirement, their children are leaving the state for their education and to gain professional experience. The majority of these students will not return to Alaska to pursue a career.

In the next ten years, the bulk of Alaska's leading professionals will retire. It is essential that we act now to provide Alaska's innovative and talented youth an environment to lay roots and contribute to our State's economic future. Brain gain comes down to retaining, returning and attracting students and young professionals to Alaska. Denali Commission funding has been used to work towards the goal of brain gain for Alaska.

#### **Scope of Work/Activities:**

DELIVER BUSINESS WORKSHOPS AND ENTREPRENEURIAL EDUCATION THROUGHOUT ALASKA VIA UAS INTERACTIVE SATELLITE AND WEBCAST SYSTEM.

#### Deliverable Metrics:

• WE WILL DELIVER SIX STATEWIDE BUSINESS WORKSHOPS/ENTREPRENEURIAL EDUCATION EVENTS.

#### 13 STATEWIDE BUSINESS WORKSHOPS

KIN delivered 13 Business/Entrepreneurial Education workshops statewide. Workshops were located in Juneau (7), Anchorage (4), Fairbanks (1), and Wasilla (1).

In May 2006, KIN and many other collaborators sponsored "Enterprise Facilitation" workshops in Wasilla. The workshops featured guest speaker Dr. Ernesto Sirolli and was organized by the Greater Wasilla Chamber of Commerce.

During May 2006, KIN delivered niche-marketing workshops in Fairbanks, Anchorage and Juneau for a total of three 4-hour workshops conducted by Dr. Mike Reilly, a marketing professor at Montana State University and independent consultant.





In April 2006, Dr. Peter Perna, CEO of Alpine Strategy Group in Durango, CO, conducted technology licensing and commercialization workshops in Juneau, Anchorage and Fairbanks.

In addition to leading the workshops, Dr. Perna and Dr. Reilly held one-on-one sessions with businesses in all regions. Supporting partners in both workshops included Alaska Manufacturing Extension Partnership, Alaska InvestNet, Alaska Growth Capital, The Geophysical Institute, Made in Alaska, Juneau Economic Development Council, and the Springboard Project, as well as funding from Denali Commission.





In October 2006, KIN hosted its first Venture Panel in Juneau as part of the KIN Business Series. The event was an opportunity for entrepreneurs to pose questions via a moderator to a panel of experts representing hundreds of cumulative years of business experience.

The panel was moderated by Lance Miller, Executive Director of JEDC. The question and answer session was followed by a valuable networking session.

On April 18<sup>th</sup>, 2007, a Tourism Panel was held in Juneau. The theme was "Challenges and Opportunities in Juneau's Tourism Industry," and the event was timed to coincide with the start of the 2007 cruise ship season. The audience consisted of tourism industry workers, business owners, and aspiring entrepreneurs. Questions from the audience were answered and discussed by the panelists. The question and answer part of the event was followed by one hour of informal networking. The networking segment of the event





provided aspiring entrepreneurs with valuable access to industry leaders, as well as facilitating high-level networking between the industry leaders themselves.



On April 30<sup>th</sup>, KIN partnered with Alaska InvestNet to bring Burt A. Chojnowski to Juneau. Mr. Chojnowski spoke for 1.5 hours at a luncheon event for entrepreneurs. Mr. Chojnowski is: a Managing Partner of Brain Belt Consulting, the Past President of Fairfield Entrepreneurs Association, a Community Vitality Center Board Member, a World's Best Technology Jurist, an Iowa Capital Investment Board Founding Member, an Iowa Cultural Coalition Board Member, a Roundtable Consulting Group Adjunct Faculty, the Former Chairman of the CoolCall.com Corporation, and a Former Board Member of Micoy, Inc.

Burt A. Chojnowski is a recognized expert on entrepreneurship, entrepreneurial development systems, alternative financing systems for entrepreneurs and how to create entrepreneurial communities. In Juneau, he addressed best practices and strategies to encourage entrepreneurship within Juneau and Alaska.

On May 15<sup>th</sup>, KIN partnered with SpringBoard and TREND to bring entrepreneurial education workshops to Anchorage. The workshops were held at the BP energy center. The first 4-hour workshop was "Financial Management for Non-Financial Managers" and was taught by Paddy Fleming, MBA, Miltech. MilTech is a national program that works in collaboration of Montana State University, TechLink and the Montana Manufacturing Center. Paddy Fleming has nearly 20 years of experience in the manufacturing industry, including seven years of broad managerial experience with International Paper and expertise in project management, analyses for profit/loss, ratio, and financial managerial accounting systems.

The Financial Management for Non-Financial Managers course covered basic accounting and financial management from a manager or owner's perspective, rather than tax accounting. All of the basic financial statements were covered, along with tools for making positive impacts on each.

Following the Financial Management workshop on May 15<sup>th</sup> was a "Quality Systems" workshop by Alan Diebert, Miltech Program Manager. Mr. Diebert brings 20 years experience in industrial and management engineering. The four-hour Quality Systems workshop covered the tools and techniques associated with rooting out and permanently solving common and unique problems in service or manufacturing companies.

On May 16<sup>th</sup>, Mr. Diebert and Mr. Fleming provided one-on-one counseling to small Alaskan manufacturing businesses.

On May 17<sup>th</sup>, Mr. Fleming delivered the "Financial Management for Non-Financial Managers" workshop to a full house in the conference room of the Juneau Economic Development Council.

The Anchorage workshops were professionally recorded to DVD and will be made available to ARDORS and statewide business assistance providers.





CONDUCT IN-STATE TRAINING, CREATE PEER EXCHANGE AND MENTORSHIP NETWORK, AND PROMOTE BEST PRACTICES TO STRENGTHEN THE CAPACITY OF EXISTING LOCAL BUSINESS ASSISTANCE ORGANIZATIONS.

#### Deliverable Metrics:

• COMMITTEES OF POTENTIAL USERS WILL IDENTIFY EXISTING RESOURCES THAT PROMOTE BEST PRACTICES. THESE RESOURCES WILL BE CONSOLIDATED INTO A DVD LIBRARY.

Professor Rick Wolk at the University of Alaska Southeast has been working with the Students in Free Enterprise (SIFE) at the University to interview entrepreneurs and document their stories. The team has interviewed entrepreneurs in Juneau, Kodiak, Craig, Petersburg, and Ketchikan. Rick also attended the San Francisco Clean Tech Conference in February 2008 to build a contact database for rural entrepreneurs. These entrepreneurs are forming a personal network of support that can be tapped by any entrepreneur in the state. Each individual's experience has also been documented by the SIFE students and will be recorded on a DVD for distribution.

• DVD LIBRARIES WILL BE DISTRIBUTED TO BUSINESS AND ENTREPRENEURIAL SUPPORT STATEWIDE.

After several unsuccessful attempts to record workshops using our own equipment while hosting our events, the decision was made to use a professional videographer for the filming of the Business Workshops in Anchorage on May 15<sup>th</sup> (Financial Management for Non-Financial Managers and Quality Systems). Approximately 7 hours of video was generated and DVDs are available for ARDORS and small business assistance providers across the state.

 21 HOURS OF VIDEO/PODCAST IDENTIFIED BY COMMITTEE AS PROMOTING BEST PRACTICES WILL BE LINKED TO THE ACCESS ALASKA WEBSITE.

Status: Approximately 7 hours of professional quality DVDs have been created, but due to changes in web-based technology since the beginning of this project, we have decided that creating additional hours of podcasts would merely be duplicating existing resources. Extremely high-quality entrepreneurial and business education podcasts are widely available for free on the Internet, from sources such as the Wharton School of Business, Harvard Business School, and MIT. Links to the free podcasts will be posted on the JEDC website in order to encourage Alaskan entrepreneurs to utilize these world-class entrepreneurial and business education resources.

 EVENT ATTENDEES WILL BE TRACKED FOR INVITATIONS TO FUTURE ENTREPRENEURIAL AND NETWORKING EVENTS.

An email database has been created for KIN members and event attendees in Juneau, Anchorage, the Mat-Su Valley and Fairbanks. Invitations to KIN entrepreneurial and networking events (and those of our partners) are distributed via the appropriate email listserve. Approximately 650 active emails are included





in our statewide database. In addition, a Fairbanks KIN database is maintained by our partners, the Fairbanks Economic Development Corporation.

• SIROLLI PROJECT FOR COMMUNITY AND ECONOMIC DEVELOPMENT.



STATUS: COMPLETE

In May 2006, KIN and many other collaborators sponsored "Enterprise Facilitation" workshops in Wasilla. The workshops featured guest speaker Dr. Ernesto Sirolli and was organized by the Greater Wasilla Chamber of Commerce.

ASSIST START-UP COMPANIES WITH BUSINESS AND TECHNICAL ASSISTANCE; GOAL OF 250 INDIVIDUAL ENTREPRENEURS COUNSELED STATEWIDE.

#### STATUS: 174 ENTREPRENEURS AND SMALL BUSINESSES COUNSELED

In 2006, JEDC and KIN have counseled a total of 174 entrepreneurs and small businesses throughout the State of Alaska. Topics range from How to Incorporate, Streamlining and Expanding Product lines to Positioning your Company for Private Investment.

SALES AND REVENUE OF COUNSELED ENTREPRENEURS (AN OVERALL IMPACT OF AT LEAST 10X THE PROJECTED BUDGET)

It is difficult to accurately measure the impact of KIN on the sales and revenue of counseled entrepreneurs. Anecdotal evidence suggests that the networking events are particularly helpful in gaining valuable, revenue-generating contacts and referrals.

CREATE ACTIVE NETWORKING OPPORTUNITIES, MENTOR PROGRAMS, AND A RESOURCE NETWORK FOR ENTREPRENEURS TO STRENGTHEN ENTREPRENEURIAL CULTURE AND SPUR INNOVATION.

#### Deliverable Metrics:

 KIN WILL DELIVER SIX STATEWIDE PEER EXCHANGE/NETWORKING EVENTS.

STATUS: 25 NETWORKING EVENTS IN JUNEAU, ANCHORAGE, THE MAT-SU VALLEY, AND FAIRBANKS

The original Denali Commission Metric of 6 statewide peer exchange/networking events has been far exceeded. KIN







delivered eight networking events in Juneau and Anchorage in 2006, and in 2007 expanded to the Mat-Su Valley and Fairbanks. A total of 25 networking events have been held statewide as of May 2007. These events will continue on a monthly basis in Juneau, Anchorage and Fairbanks. Events in Fairbanks will be operated by the Fairbanks Economic Development Corporation and Anchorage events will be coordinated by the Alaska Dialogue.

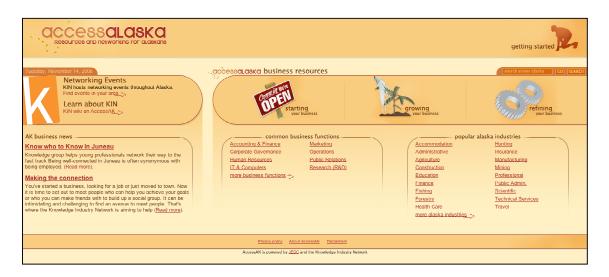
KIN Pub Nights provide a unique venue for business networking that appeals to Alaska's 20/30-somethings. Events have a flexible format which maximizes the potential for partnerships. JEDC has developed formal partnerships with both the University of Alaska Fairbanks and Anchorage Alumni Associations regarding hosting and marketing Pub Nights, and worked informally with a variety of labor unions, school districts, tourism operators and other businesses on specific events. Local restaurants have also been very supportive of Pub Nights and contributed discounts and in-kind donations of food and space.

Local sponsorships are sought for individual Pub Nights, and to date have included The Island Pub, The Juneau Empire, The Capital City Weekly, the Juneau Jazz and Classics Festival, McGinley's Pub, the Anchorage Economic Development Corporation, and the Fairbanks Economic Development Corporation.

ROLL OUT AN INTERACTIVE WEBSITE AT WWW.ACCESSAK.ORG

#### LAUNCH OF INTERACTIVE WEBSITE AT <u>WWW.ACCESSAK.ORG</u>

Access Alaska, a wiki-style, user-driven website, was launched in June 2006. The site is a portal to provide Alaskans with a wealth of Alaska-relevant information along with access to business and technical assistance providers, mentors, financial resources, and links to common/complimenting interest professionals. The site is an innovative way for Alaskans to connect and exchange best practices information for all industries. Access Alaska has had 4870 unique site visits and contributions to date.







LEVERAGE NEW FUNDING SOURCES TO PROVIDE ADDITIONAL AMOUNTS AND TYPES OF FUNDING FOR ALASKA'S ENTREPRENEURS AND TO SUSTAIN BOTH THE KIN AND COLLABORATORS. NON-FEDERAL FUNDS MAY BE USED FOR LOBBYING.

Additional funding has been secured for the continuation of the Knowledge Industry Network. KIN was in the State of Alaska FY 2008 Capital Budget for \$125,000, but was funding was vetoed by Governor Palin. KIN did receive \$50,000 in funds from SpringBoard for business workshops and \$5000 from Wells Fargo. Fundraising in progress includes letters of inquiry and proposals sent seeking foundation support on both a national and statewide scale. Additionally, local businesses are asked to sponsor individual KIN events. Future funding for KIN events will be handled by local partners in Fairbanks, Anchorage and Juneau.

#### Deliverable Metric:

 WE WILL MAKE THE ALASKA ENTREPRENEURIAL DEVELOPMENT SYSTEM SUSTAINABLE THROUGH COMMUNITY BUY IN.

KIN has achieved significant community buy-in and interest in partnering, which has been done successfully with the following organizations:

- BP
- Denali Commission
- Alaska Manufacturing Extension Partnership
- TREND
- Wells Fargo
- Small Business Administration
- Alaska InvestNet
- SBDC
- City of Wasilla Office of Economic Development
- The Island Pub
- McGinley's Pub
- Alaska Rotary Clubs
- Chambers of Commerce
- Anchorage Economic Development Corporation
- Fairbanks Economic Development Corporation
- University of Alaska Southeast
- University of Alaska Anchorage
- University of Alaska Fairbanks
- First Alaskans Institute
- People Matter
- Sequestered Solutions
- Commonwealth North
- Princess Cruises
- Goldbelt Tourism
- Springboard





Media coverage of KIN has included multiple articles in the Juneau Empire, Capital City Weekly, Wells Fargo's Alaska Messenger Newsletter and the Fairbanks Daily News Miner. KIN was also featured in a KTOO radio interview in Juneau and an NBC TV interview in Fairbanks.

#### **Project Outcomes:**

The Denali Commission funding has made possible the statewide launch of the Knowledge Industry Network. The intended eventual outcome of the program is to ensure sustainability of Alaska's economy by investing in our human capital: KIN works to retain, return, and attract young professionals to the State of Alaska by creating a culture of entrepreneurship, innovation and interaction.

"I wanted to say thank you for coming up to Anchorage and helping put on a spectacular KIN kickoff event. . I was excited to hear we attracted 75 people that night and from my surveys of the crowd, it certainly seemed people were networking and making important connections. . .75 is just the tip of the iceberg. We'll continue to spread the word about the KIN events to our investors and partners and people we come in contact with. . .It is critical to keep momentum going. The reason for getting us 20 and 30 somethings together is critical to our state's and communities' economic success. Your offices have started something brilliant and which has the potential to be a powerful force here in our state."

-Craig Cornichuck, Vice President, Anchorage Economic Development Corporation

KIN Networking Events have made a positive contribution to the culture of interaction among young professionals in Alaska (see attendance record, Appendix 1). Networking events will continue to occur at least through the end of FY 2008.

"Your efforts are making a difference for our company. . .(at KIN Pub Nights) we've connected with our potential COO. Connected with our potential VP of Marketing. The potential COO has provided consulting services by generating perfect contracting documents that I have since used to land 4 jobs. The potential VP of Marketing is helping us gain access to a job at a local military installation. We thank you."

-Brian Richardson, Surface Cleaning Technologies, CEO

KIN hosted 13 Business/Entrepreneurial Education workshops and events. The workshops provided direct assistance and professional development to Alaskan Entrepreneurs. An additional series of business workshops has been funded and will continue at least through the end of FY 2008.

"The Knowledge Industry Network has fostered an environment that brings together clients, users, and prospective customers, that has allowed us to efficiently deliver information about my company and services to key individuals and social networks. This has created an exceptionally high return on the time I have invested. For every hour at a KIN event, we can usually generate at least \$1500-2500 dollars in revenue immediately. Over the past year, social networking events like KIN's boosted revenue roughly \$30-50k. The relationships we've built through KIN have been lasting, meaningful, and profitable. KIN was an essential element to the success of our first year as a corporation, and we count on it to help our business continue to thrive."

- Jeremy C. Hansen, CEO, Hansen Gress Corporation





Census data in the coming decades will reveal what percentage of young people choose to live and work in Alaska as compared to the National average. In the meantime, measurable outcomes include attendance numbers at networking events and business/entrepreneurial education workshops, survey results of workshops (see attached for May 2007 workshops), and website growth and traffic.

"The Knowledge Industry Network has allowed me to meet up-and-coming young professionals in Juneau. For the American Red Cross of Alaska, we have been able to recruit volunteers and were involved in the health fair at UAS as a direct result of our involvement in KIN events. I have found this type of networking to be an invaluable help to integrating into the community of Juneau."

- Shad Engkilterra, Director of Southeast District, American Red Cross of Alaska

It is difficult to measure the financial impact of the KIN program to date. Anecdotal evidence indicates that the most valuable contribution being made by KIN is the knowledge exchange and relationship building that occurs at our events. The return on the investment in human capital could take a decade or more to become readily apparent. In the interest of doing the best that we can to capture information about the impact that KIN is having in the present, an end of year survey is being conducted to coincide with the one-year anniversary of the Juneau program launch. Though the long term quantifiable outcomes of KIN's Networking events are yet to be seen, some immediate impact has been realized.

"KIN has been a great resource for me both personally and professionally. The Pub Nights are a great way to make new friends, but I also find it a helpful tool to network professionally. I can go to Pub Night and leave with story ideas for the newspaper and get a sense for what the community would like to see in print. I think KIN has been a wonderful and much needed resource for the community, and I hope to see it continue and expand."

-Amanda Gragert, Editor, Capital City Weekly

The investment by the Denali Commission has also enabled KIN to expand its capacity to include the School-to-Work program. A focus on entrepreneurialism, science, and technology will engage Alaskan K-12 and university students.

The Knowledge Industry Network has been chosen to receive a National Association of Development Organizations (NADO) 2007 Innovation Award for its accomplishments in regional development.

#### **Problems Encountered:**

The high cost of living in Alaska is the most commonly cited barrier to young professionals remaining in the state to pursue a career, and an issue that cannot be easily resolved by any group. Either earning needs to increase or expenses need to decrease; KIN addresses increased earning by cultivating an entrepreneurial, interactive, and innovative culture.





Partnering with UAS to deliver interactive satellite workshops did not occur; the cost to UAS was deemed by them to be too great. The possibility of interactive satellite workshops may be revisited in the future as our relationship with UAS strengthens.

The video/podcasts recorded by KIN staff were of poor quality. Steps taken to overcome the problem include budgeting to hire a professional videographer for select workshops and scaling back the number of hours of video to be produced by KIN. Professional quality business podcasts have become widely available for free on the Internet; rather than duplicate these efforts, KIN has offered more frequent events for in-person interaction, which is harder to duplicate!

To date, The Access Alaska website has not yet had the surge of contributions that it requires for the wiki software to function as designed and the true interactive potential of the site to be realized. There have also been security issues with inappropriate posts and SPAM. Future site development will need to be done with more user input during the development process and a long-term plan for site maintenance.

#### **Conclusions and Recommendations:**

With funding from the Denali Commission, the Knowledge Industry Network has been able to take proactive steps to provide Alaska's innovative and talented youth an environment to lay roots and contribute to our State's economic future. Through our young professionals' networking events, our entrepreneurial education workshops and events, and our interactive business resource website, KIN has explored multiple strategies to retain, return, and attract the students and young professionals that Alaska will need to sustain its economy as the Baby Boomers retire and into the future.

Due to Alaska's geography and high travel costs, successful and cost effective organization of statewide KIN events has depended on building strong partnerships with other organizations that share our goals. Travel costs prohibit KIN's small, Juneau based staff from single-handedly and personally hosting every KIN event across the state. Successful collaboration with other young professionals to deliver weekly statewide KIN events has been particularly satisfying.

The Panel format for entrepreneurial/business workshops has been a particularly effective way to combine education with a ready-made forum for interaction. The opportunity for mentorship is great; the networking session that follows the panel discussion permits one-on-one interaction between panelists and entrepreneurs. The culture of knowledge exchange opens the door to innovation and economic sustainability.





#### Appendix 1: Total KIN Networking Event Attendance through May 2007

## Juneau Attendance Numbers for Launch and Pub Night Events

	New	Returning	Total
Launch	110	0	110
August	44	17	61
September	25	20	45
October	34	16	50
November	19	14	33
December	16	20	36
January	20	19	39
February	21	14	35
March	17	15	32
April	22	14	36
May	10	19	29
Totals	338	168	506

## Wasilla Attendance Numbers for Launch and Pub Night Events

	New	Returning	Total
Launch	21	0	21
March	9	6	15
April	2	8	10
May	2	7	9
Totals	34	21	55

# **Anchorage Attendance Numbers for Launch and Pub Night Events**

	New	Returning	Total
Launch	75	0	75
December	19	21	40
January	11	19	30
February	33	25	58
March	16	16	32
April	9	12	21
May	8	16	24
Totals	171	109	280

# Fairbanks Attendance Numbers for Launch and Networking Events

	New	Returning	Total
Launch	51	0	51
April	12	19	31
May	14	20	34
Totals	77	39	116

	New	Returning	Total
Totals	620	337	957





Appendix 2: Example of Event Flyer, featuring the Denali Commission sponsor logo

knowledge industry network



# PROGRAM L

at

## **Settlers Bay Lodge**

Mile 8 Knik-Goose Bay Road, Wasilla

The Knowledge Industry Network (KIN) is a program that brings young Alaskans together to meet, network, exchange ideas, and develop professionally.



Get connected to other 20/30-somethings in Alaska.

Over 40? KIN welcomes you and your years of experience!



It has been said that who you know is as important as what you know. Come network with KIN!



FOR DRIVING DIRECTIONS, PLEASE VISIT OUR WEBSITE

### www.accessak.org



For more info, contact Jess Parks, Program Manager, Knowledge Industry Network: 907.463.3662 ext 34